

November 10, 2010

ITEM NO. A3

AUTHORIZATION TO ENTER INTO A CONTRACT WITH ORACLE CORPORATION FOR SUPPORT AND MAINTENANCE SERVICES

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners ("Board") authorize the Chief Executive Officer or his designee to enter into a one (1) year contract with Oracle Corporation for the support and maintenance services of Oracle database software, Oracle Business Intelligence software, and Primavera software for the period of January 1, 2011 through December 31, 2011 in an amount not-to-exceed \$225,546.40.

Funding
General Fund

RECOMMENDATION SUMMARY

Vendors: Oracle Corporation
233 S. Wacker, Floor 45
Chicago, IL 60606

Contract Type: Firm, Fixed Price
Contract Term: January 1, 2011-December 31, 2011
Contract Amount: \$225,546.40
Option Period: None

M/W/DBE Participation Oracle:

Direct: ____% MBE ____% WBE ____% DBE
Indirect: ____% MBE ____% WBE ____% DBE
Waiver: X (Yes/No)

Section 3: N/A

____Hires ____Subcontracting ____Other Economic Opportunities

GENERAL BACKGROUND

To support the Plan for Transformation and support the process of relocation as CHA families move into and out of their temporary housing into new permanent housing, the CHA's Department of Information Technology Services ("ITS") developed and implemented applications based on an Oracle centralized database to provide the CHA with access to reliable data on a real-time basis to support executive decision making. The CHA developed the CHA Systems@Work, an Oracle web-based, and security intensive database-like applications. CHA System@Work includes the Resident Management Tracking System (RMTS) which tracks and

manages resident data as they move into and out of their temporary housing, or into their new permanent housing as well as many other applications supporting Service Connectors, Section 8 Housing and other management applications. These applications work in conjunction with the Oracle database. The Housing Management System (YARDI) provides additional functionality to support property management activities, and is also provided on the Oracle platform. The Oracle maintenance and support agreement is necessary to provide access to product enhancements, upgrades and updates, as well as telephone support from Oracle's qualified product technicians to support the CHA's on-going relocation activities and information management systems.

In December 2008, The Department of Information Technology Services deployed new technologies, including Oracle Business Intelligence and Data Warehouse, that will allow the combination of financial and property data into a single repository, streamlining CHA's reporting and analytic environments. The additional software acquisition resulted in additional incremental software licensing requirements and corresponding increases to the CHA's maintenance and support costs.

PROCUREMENT HISTORY

In June of 2001 the Department of Information Technology Services purchased Oracle products to replace the legacy systems and to be the platform for the CHA Systems@Work. At the time that the CHA purchased Oracle database system, maintenance costs and services were negotiated in the agreement and were provided for the first year. Support and maintenance services for the software products have been continuously provided directly to the CHA from Oracle for each of the subsequent years since the initial purchase of the database on a sole-source basis. Product support, enhancements, upgrades and updates are available only from Oracle. As the developer, licensor and owner of the database software (and the exclusive provider of comprehensive support and maintenance services), the software maintenance and support services were originally procured from Oracle on a sole-source basis, on the same prevailing terms and conditions as have been in effect since the original acquisition of Oracle database software.

In December 2003 the Board authorized the CHA to enter into contract with Oracle Corporation for Oracle database software support and maintenance services for a one (1) year period in the amount of \$113,630.00. In August 2004 the Board authorized an extension of the software support and maintenance agreement with Oracle for Oracle database software support and maintenance services for a two year term, with a one year option for an aggregate the amount not-to-exceed \$340,890.00. In May 2007 the Board authorized an extension of the contract with Oracle for database software support and maintenance services for 2 year term for an amount not-to-exceed \$237,588.97. In 2008, the CHA determined it would be in its best interest to put its maintenance and support contract with Oracle on a fiscal year basis and the contract was extended through December 31, 2010 for an amount not-to exceed \$252,058.17, resulting in a new anniversary date of January 1st, replacing the prior June 17th anniversary date for Oracle maintenance and support services.

Due to the recent addition of systems to the CHA technology operations which use the Oracle software platforms, the Department of Information Technology Services (ITS) is seeking to enter a one (1) year contract with Oracle Corporation for support and maintenance of the following technologies: Oracle Database, Primavera, and Oracle Data Warehouse.

Based on the foregoing, it is in the best interest of the Chicago Housing Authority to enter into a one (1) year contract with Oracle Corporation for the Support and Maintenance services of Oracle database software, Oracle Business Intelligence software, and Primavera software for the period of January 1, 2011 through December 31, 2011 in an amount not-to-exceed \$225,546.40.

RESOLUTION NO. 2010-CHA-139

WHEREAS, The Board of Commissioners of the Chicago Housing Authority has reviewed the memorandum dated November 10, 2010, titled "AUTHORIZATION TO ENTER INTO A CONTRACT WITH ORACLE CORPORATION FOR SUPPORT AND MAINTENANCE SERVICES".

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to enter into a one (1) year contract with Oracle Corporation for the support and maintenance services for Oracle database software, Oracle Business Intelligence software, and Primavera software for the period of January 1, 2011 through December 31, 2011, in an amount not-to-exceed \$225,546.40.

